

FILED

APR 2 7 2010

SECRETARY, BOARD OF OIL, GAS & MINING

575 NORTH 100 EAST, AMERICAN FORK, UTAH 84003-1758
OFFICE: (801) 756-8417 FAX: (801) 756-8439
ROBERT W. SMITH, ASSISTANT SUPERINTENDENT ▲ BUSINESS SERVICES

April 27, 2010

Board of Oil, Gas and Mining PO Box 145801 Salt Lake City, UT 84114-5801

Re: Docket No 2010-020, Cause No. UIC-362.2 and Docket No 2010-021, Cause No. UIC-362.1

Alpine School District is the surface owner of certain properties in the Clear Creek, Schofield, Utah area. We received notice of conversion from a production operation to a Injection Well by Marion Energy in March 2010. We received notice of hearing on April 12, 2010 from the Division of Oil, Gas, and Mining but could not participate as the notice stated we had to respond in writing at least two weeks before the hearing or April 10, 2010, whichever was earlier. I contacted Gil Hunt today, after receiving a staff memorandum dated April 15, 2010, to inquire about options for response. I was encouraged to send this written response for your consideration.

Alpine School District has the following three concerns about this request: 1) The safety of students in the vicinity; 2) The impact to the water source of the education facility; and 3) The impact to the environment.

- 1. Student safety Thousands of students visit this education facility each year. When the initial request was made to drill by Marion Energy, Alpine School District attempted to protest or fight the request due to student safety concerns and the impact on the educational experience. After meeting with Marion representatives, Division of Oil, Gas, and Mining, and legal counsel, we were told that Marion could drill regardless of surface owner disapproval. It became clear that it may be better to work with the production company to mitigate concerns rather than receive no consideration. The District and Marion worked to mitigate many of the concerns. This request raises additional concerns.
- 2. Water impact It is unclear what impact this decision may have to water at the camp, in the creeks, and reservoir. After reviewing the staff memorandum, additional concern surfaced about unknown impacts. The wells at the camp are the only source of drinking water and may be impacted. Marion has been injecting wells without approval, which is a serious concern.

3. Environmental impact – The pad already presents permanent alterations to the area that serves to education young people about the environment. This conversion may present additional unknown impacts.

Are there other options, in other areas for Marion to consider for this purpose? What are the requirements or assurances we can receive to the concerns for the impact to the sole water source at the camp? What happens if the water source is contaminated as a result of this decision? Who is responsible?

We would encourage The Board to consider this objection until additional information, solutions, and assurances are formulated. Thank you for your time and assistance.

Sincerely,

Robert W. Smith Assistant Superintendent, Business Services

CC: Superintendent Henshaw Gary Seastrand Dave Holdaway File